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97TH CONGRESS 2d Session } HOUSE OF REPRESENTATIVES { REPORT No. 97-790

COMPLETED

FEDERAL BOAT SAFETY ACT AMENDMENTS

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AUGUST 23, 1982.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. JONES of North Carolina, from the Committee on Merchant Marine and Fisheries, submitted the following

REPORT

[To accompany H.R. 6813]

[Including cost estimate of the Congressional Budget Office]

The Committee on Merchant Marine and Fisheries, to whom was referred the bill (H.R. 6813) to amend the Federal Boat Safety Act of 1971, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

On page 1, line 6, change "The Secretary" to "The Secretary may".

On page 3, beginning on line 5, strike the sentence beginning with "Any funds heretofore or hereafter authorized".

Also on page 3, beginning on line 20, strike the sentence beginning "Any funds heretofore or hereafter authorized".

PURPOSE OF THE LEGISLATION

The purpose of this legislation is to facilitate the implementation of recreational boating safety programs in a manner consistent with the public interest and the intent of federal law. The bill amends the Federal Boat Safety Act of 1971, as amended by the Recreational Boating Safety and Facilities Improvement Act of 1980, to enable the Committee on Appropriations to appropriate funds from the boating trust fund without causing a corresponding reduction in overall Department of Transportation budget authority.

Under existing law, expenditures from the Recreational Boating Safety and Facilities Improvement Fund—providing federal financial assistance to state recreational boating safety programs—are in the form of discretionary grants. Therefore, even though appropriations for this purpose are made from the dedicated trust fund comprised of motorboat fuel taxes paid by the recreational boating public, expenditures from the Fund are "scored" for budget purposes as

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budget authority against Department of Transportation totals. Thus, expenditures from the Fund compete against appropriations for other Coast Guard budget categories—including acquisition, construction, and improvement; operating expenses; and research and development. This creates a built-in disincentive against appropriating monies from the Fund in support of state efforts to assume a greater share of Coast Guard recreational boating safety functions, since this would result in proportionate reductions in Coast Guard operating expenses. Precisely this situation occurred during the Appropriations Committee's review and consideration of the fiscal year 1982 Department of Transportation budget request. In this instance, a proposed $5 million appropriation from the boating trust fund proposed by the conferees was deleted in order to restore a corresponding amount in the Coast Guard's operating expense account.

This bill converts the existing grant authority to contract spending authority effective in fiscal year 1983 (the final year of an existing multi-year authorization), subject to the provision of liquidation of contract authority in subsequent appropriations Acts.

Under the language of this legislation, the manner of review and consideration of state boating safety programs by the Committee on Appropriations will conform to those procedures utilized to provide appropriations for similar programs administered by the Federal Aviation Administration and the Federal Highway Administration in the Department of Transportation.

Background

The Federal Boat Safety Act of 1971 represented the first step by the federal government to construct a comprehensive approach to the improvement of recreational boating safety. To accomplish this, the Act required manufacturers to build recreational boats in accordance with performance standards and provided federal financial assistance to states to encourage the development of comprehensive state boating safety programs. The program of categorical grants developed under the 1971 statute was designed to encourage states to undertake additional responsibilities in boating safety education and enforcement, including modification of existing vessel numbering reporting systems and expansion of boating education and law enforcement. To ensure consistency among the various state boating safety programs developed pursuant to the Act, cooperative agreements were entered into between the states and the federal government.

Between 1972 and 1980 the grants-to-states program resulted in 51 of the 55 eligible jurisdictions establishing or expanding their boating safety programs in full compliance with the criteria set forth in the 1971 Act. During that same time period the boating population increased from 7 million to over 14 million, yet the fatality rate from numbered vessels decreased by more than half. Significant benefits in lives saved and the prevention of property damage resulted from Congressional appropriations over the eight year period of just under $40 million.

The authorization for the 1971 statute was slated to expire at the end of 1979. Because of the tremendous success of the grants-to-states

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program, the Committee reviewed methods to build on these achievements as well as alternative methods of funding. The Committee's efforts resulted in what is known as the Recreational Boating Safety and Facilities Improvement Act of 1980. This Act replaced the state Boating Safety Grants Program of the 1971 law with a new system of providing funds for federal-state programs for recreational boating safety and facilities improvements. The Act reaffirmed the important role of states in boating safety and encouraged the states to assume a greater share of boating safety education and enforcement, with federal assistance. The new law also provided for a mechanism for state boating safety program acceptance and allocation of funds and established a new source of funding for these purposes.

The 1980 statute created a new fund in the Treasury called the National Recreational Boating Safety and Facilities Improvement Fund. The Act provided for the diversion of a portion of the federal marine fuels tax receipts into the Fund so that those who benefit from the boat safety and facilities improvements rather than other taxpayers would finance the costs of such programs. A cap of $20 million was placed on the Fund.

Committee Action

H.R. 6813 was introduced on July 21 by Mr. Biaggi, Mr. Evans of Delaware, Mr. Studds, Mr. Lent, and Mr. Jones of North Carolina. The Subcommittee on Coast Guard and Navigation approved the bill, with two minor technical amendments, on July 28, by voice vote. The full Committee on Merchant Marine and Fisheries approved the bill, by voice vote and without further amendment, on August 3.

Section-by-Section Analysis

This legislation amends the Federal Boat Safety Act of 1971 (Public Law 92–75, 85 Stat. 213), as amended, to enable the Committee on Appropriations to appropriate funds from the National Recreational Boating Safety and Facilities Improvement Fund, without causing a corresponding reduction in overall Department of Transportation budget authority, as that term is defined by the Congressional Budget Act of 1974.

Paragraph (1) amends the Federal Boat Safety Act in two places for the purpose of authorizing the Secretary to contract with any state that has an accepted state recreational boating safety and facilities improvement program and meets certain conditions spelled out in the Act. The contracting authority would be used for the purpose of allocating and distributing funds from the National Recreational Boating Safety and Facilities Improvement Fund to qualifying states.

Paragraphs (2) and (3) amend the Act in three places to provide that the Secretary's acceptance of a state recreational boating safety or facilities improvement program shall be deemed a contractual obligation of the United States for the payment of a proportional share of the cost of implementing the program. The Act requires the Secretary to accept a program if certain conditions spelled out in the law are met.

Paragraph (4) contains several conforming changes made necessary by the transformation of the recreational boating programs into pro-

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grams involving the acceptance of contractual obligations by the United States.

Compliance With Clause 7, Rule XIII

In accordance with paragraph (d) of this clause, the provisions of this clause do not apply where a cost estimate and comparison prepared by the Director of the Congressional Budget Office has been prepared and included in the report.

Compliance With Clause 2(l)(4), Rule XI (Inflationary Impact Statement)

This legislation establishes a more clear-cut mechanism for the allocation of funds for state recreational boating safety and facilities programs. The money for these programs is derived from the federal gasoline tax assessed against gasoline and other marine motor fuels. This bill does not, in any way, alter the size, or manner of collecting, this tax. As a result, this legislation is not expected to have any inflationary impact on prices and costs in the operation of the national economy.

Compliance With Clause 2(l)(3), Rule XI

(a) During the course of 1981, the Subcommittee on Coast Guard and Navigation held a comprehensive series of oversight hearings on all phases of Coast Guard operations and procedures. These hearings resulted in the preparation and release of an oversight report entitled "Semi-Paratus: The United States Coast Guard, 1981".

This oversight report included the following recommendation related to the issue of recreational boating safety and specifically, implementation of the Recreational Boating Safety and Facilities Improvement Act of 1980, or the Biaggi Act:

1. The Subcommittee believes that the Biaggi Act would, if implemented, make a substantial contribution to improved boater safety, and that it would accomplish this goal through an appropriately constructed user fee mechanism at no cost to the federal government, and with maximum respect for states' rights. The Subcommittee strongly recommends that the funds authorized by the Biaggi Act, and raised through a tax assessment imposed on recreational boaters, be made available for the purposes intended by law.

The provisions of H.R. 6813 are designed to assist in fulfilling the recommendation contained in the oversight report.

(b) The requirements of section 308(a) of the Congressional Budget Act are applicable to this legislation. The information required by that section are included in the statement provided to the Committee by the director of the Congressional Budget Office, and which is published below.

(c) The Committee on Merchant Marine and Fisheries has received no report from the Committee on Government Operations containing oversight findings or recommendations arrived at pursuant to clause 2(B)(2) of Rule X of the Rules of the House of Representatives.

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(d) The director of the Congressional Budget Office has furnished the Committee with an estimate and comparison of cost for H.R. 6813, pursuant to section 403 of the Congressional Budget Act of 1974.

The submission is as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., August 5, 1982.

Hon. WALTER B. JONES,
Chairman, Committee on Merchant Marine and Fisheries, U.S. House of Representatives, Longworth House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has reviewed H.R. 6813, a bill to amend the Federal Boat Safety Act of 1971, as ordered reported by the House Committee on Merchant Marine and Fisheries, August 3, 1982.

H.R. 6813 amends the Federal Boat Safety Act of 1971 to convert the National Recreational Boating Safety and Facilities Improvement Fund into a user fee supported trust fund, financed with the excise taxes collected on special motor fuels and gasoline used in motor boats. This fund currently is financed by these taxes but is subject to amounts provided in appropriation acts. The bill converts the existing grant authority to direct spending contract authority effective in fiscal year 1983. Outlays from the fund, however, would still be subject to the provision of liquidating cash in appropriation acts.

By converting the existing authorization to direct spending contract authority, the bill provides $20 million in budget authority for fiscal year 1983 ($10 million for state recreational boating safety programs, and $10 million for facilities improvement programs). These funds are expected to be spent at a rate similar to the earlier state boating safety assistance program, 50 percent the first year and 50 percent the second year. Therefore, outlays are estimated to be $10 million in 1983 and $10 million in 1984.

Should the Committee so desire, we would be pleased to provide further details on this estimate.

Sincerely,

ALICE M. RIVLIN,
Director.

DEPARTMENTAL REPORT

H.R. 6813 was referred to the Department of Transportation for a report. No report has been returned to the Committee.

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, as amended, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

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46 U.S.C. 1474–1479

§ 1474. Fund for national recreational boating safety and facilities improvement program

Allocation and distribution; guidelines and standards; avoidance of duplication; environmental standards

(a) In order to encourage greater State participation and uniformity in boating safety and facility improvement efforts, and particularly to permit the States to assume the greater share of boating safety education, assistance, and enforcement activities, the Secretary shall implement and administer a national recreational boating safety and facilities improvement program. Under this program, the Secretary may *contract with, and* allocate and distribute funds to eligible States to assist them in the development, administration, and financing of State recreational boating safety and facilities improvement programs. The Secretary shall establish guidelines and standards for this program. In doing so, he shall—

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§ 1475. Program acceptance

Compliance by State with certain conditions

(a) The Secretary, in accordance with this section and such regulations as he may promulgate, may *contract with, and* allocate and distribute funds from the fund to any State that has an accepted State recreational boating safety and facilities improvement program, if the State demonstrates to his satisfaction that—

* * * * * * *

State recreational boating safety program; minimum requirements

(b) The Secretary shall accept a State recreational boating safety program, and such program shall be eligible to receive funds [appropriated] *authorized to be expended* pursuant to section 1479(a) of this title, if such program includes—

(1) a vessel numbering system, either approved or administered by the Secretary under this chapter;

(2) a cooperative boating safety assistance program with the Coast Guard in that State;

(3) sufficient patrol and other activity to insure adequate enforcement of applicable State boating safety laws and regulations; and

(4) an adequate State boating safety education program.

State recreational boating facility improvement program; minimum requirements

(c) The Secretary shall accept a State recreational boating facilities improvement program, and such program shall be eligible to receive

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funds [appropriated] *authorized to be expended* pursuant to section 1479(b) of this title, if such program includes—

(1) a complete description of recreational boating facility improvement projects to be undertaken by the State; and

(2) consultation with State officials responsible for the statewide comprehensive outdoor recreation plan required by the Land and Water Conservation Fund Act of 1965 and for any program developed under the Coastal Zone Management Act of 1972.

His action in doing so shall be deemed a contractual obligation of the United States for the payment of the proportional share of the cost of implementing the program.

Combined program; minimum requirements

(d) Any State may, at its election, submit a combined program to the Secretary for the improvement of recreational boat safety and the improvement of recreational boating facilities in that State. The Secretary shall approve such program if it contains the minimum requirements set forth in subsection (b) and (c) of this section. Those portions of such combined program that are designed to improve recreational boating safety shall be eligible to receive funds appropriate for State recreational boating safety programs pursuant to section 1479(a) of this title. *Approval of those elements of a combined program shall be deemed a contractual obligation of the United States for the payment of the proportional share of the cost of implementing State recreational boating safety programs pursuant to this Act.* Those portions of such combined program that are designed to improve recreational boating facilities shall be eligible to receive funds appropriated for State recreational boating facilities improvement programs pursuant to section 1479(b) of this title. *Approval of those elements of a combined program shall be deemed a contractual obligation of the United States for the payment of the proportional share of the cost of implementing State recreational boating facilities programs pursuant to this Act.*

* * * * * * *

§ 1479. Authorization [of appropriations] *Contract Spending Authority* for State recreational boating safety and facilities improvement programs

(a) For the purpose of providing financial assistance for State recreational boating safety programs, [there is authorized to be appropriated] *The Secretary is authorized to expend* from the National Recreational Boating Safety and Facilities Improvement Fund $10,000,000 for each of the fiscal years 1981, 1982, and 1983, [such appropriations to remain available until expended.] *subject to such amounts as are provided in appropriations Acts for liquidation of contract authority, to remain available until expended. Any funds released by payment of final voucher or modification of program acceptance shall be credited to the balance of unobligated authorizations and shall be immediately avaliable for expenditure.*

(b) For the purpose of providing financial assistance for State recreational boating facilities improvement programs, [there is author-

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ized to be appropriated] *the Secretary is authorized to expend* from the National Recreational Boating Safety and Facilities Improvement Fund $10,000,000 for each of the fiscal years 1981, 1982, and 1983, [such appropriations to remain available until expended.] *subject to such amounts as are provided in appropriations Acts for liquidation of contract authority to remain available until expended. Any funds released by payment of final voucher or modification of program acceptance shall be credited to the balance of unobligated authorizations and shall be immediately available for expenditure.*

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